

OFFICE OF STATE EMPLOYMENT RELATIONS

Budget Summary						FTE Position Summary				
Fund	2010-11 Adjusted Base	Governor		2011-13 Change Over Base Year Doubled		2010-11	Governor		2012-13 Over 2010-11	
		2011-12	2012-13	Amount	%		2011-12	2012-13	Number	%
PR	\$5,994,200	\$5,678,100	\$5,643,100	-\$667,200	- 5.6%	55.50	48.65	48.65	- 6.85	- 12.3%

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS

Governor: Provide adjustments to the base budget totaling \$528,200 in 2011-12 and \$491,200 in 2012-13 and -1.0 position annually. Adjustments are for: (a) removal of noncontinuing elements from the base (-\$37,400 in 2011-12 and -\$74,400 in 2012-13 and -1.0 position annually); (b) full funding of continuing position salaries and fringe benefits (\$558,100 annually); and (c) full funding of lease and directed moves costs (\$7,500 annually).

	Funding	Positions
PR	\$1,019,400	- 1.00

2. INCREASE EMPLOYEE CONTRIBUTIONS FOR PENSIONS AND HEALTH INSURANCE

Governor: Delete \$251,100 in 2011-12 and \$249,100 in 2012-13 to reflect fringe benefit cost reductions associated with increased state employee contributions for Wisconsin Retirement System (WRS) benefits and health insurance coverage. The calculation of retirement savings is based on employee WRS contributions equal to 5.8% of salary. Health insurance cost reductions are based on employees paying an average of approximately 12.6% of total premium costs, compared to the current average of approximately 6% of costs.

PR	- \$500,200
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3. SUPPLIES AND SERVICES FUNDING REDUCTION

Governor: Delete \$171,800 annually from base funding for supplies and services. The agency's base funding for items other than salaries and fringe benefits is \$1,610,900. The reduction represents 10.7% of this base funding amount.

PR	- \$343,600
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4. ELIMINATE LONG-TERM VACANCIES

Governor: Delete \$271,700 and 4.85 positions annually to reflect the elimination of long-term vacant positions under the bill. Funding and position reductions are associated with positions that have been vacant for 12 months or more.

	Funding	Positions
PR	- \$543,400	- 4.85

5. ATTORNEY POSITION TRANSFER

Governor: Delete \$149,700 and 1.00 position annually to reflect the transfer an attorney position from the Office of State Employment Relations (OSER) to the Department of Health Services (DHS). In the DHS 2011-13 budget provisions, the Department would be provided \$152,700 FED and 1.00 FED position annually for the transfer. [The funding amounts differ because the fringe benefit rate for the DHS position is budgeted at 44.60%, while the OSER position was budgeted at 41.78%.]

	Funding	Positions
PR	- \$299,400	- 1.00

6. CONVERT CLASSIFIED POSITION TO UNCLASSIFIED POSITION

Governor: Create an unclassified position in OSER by converting 1.0 classified position to 1.0 unclassified position. According to the 2011-13 Executive Budget Summary, the intent of the provision is to incorporate position changes related the budget repair legislation (2011 Wisconsin Act 10).

Under Act 10, 38 classified positions are transferred into the unclassified service to serve as division administrators. Act 10 also redefined "administrators" to include "other managerial positions determined by an appointing authority." The State Budget Office indicates that personnel from three separate employment areas (attorney services positions, communications positions, and legislative liaison positions) will be moved from classified to unclassified service within the specified agencies. The revised unclassified positions were renamed as either chief legal advisors, communications directors, or legislative advisors. Individuals in these unclassified positions are at-will employees appointed by the heads of the respective agencies.

The provisions in the 2011-13 biennial budget bill effectuate the intent of 2010 Wisconsin Act 10 in regards to the transfer of classified positions to unclassified positions.

7. AUTHORITY TO ELIMINATE VACANT POSITIONS

Governor: Provide that, during the 2011-13 fiscal biennium, the Secretary of the Department of Administration may abolish any full-time equivalent position in any office, department, or independent agency in the executive branch of government, if the position is vacant and the Secretary determines that filling the position is not required for the state agency to carry out its duties and exercise its powers.

The provision would allow the elimination of certain vacant positions without legislative approval in 2011-13. Under current law, with certain exceptions, no position, regardless of

funding source or type, may be created or abolished unless authorized by the Legislature by law, by the Joint Committee on Finance under s. 13.10 of the statutes, or by the Governor with respect to federally funded positions. The exceptions include changes in the authorized level of program revenue positions approved through a 14-day passive review process and the creation and abolition of certain positions by the Board of Regents of the University of Wisconsin System and the University of Wisconsin Hospitals and Clinics Board.

[Bill Section: 9101(4)]